

REMARKS/ARGUMENTS

In the above-mentioned Office Action, claims 174-177, 179, 184-186, 190-217 and 220-225 were rejected, and claims 142-150, 178, 180-183, 187-189, 218 and 219 were allowed. The allowance of the allowed claims is acknowledged with appreciation, and they remain in the application. The rejected claims have been canceled without prejudice or disclaimer, and new claims 226-262 have been added.

Many of the newly added claims are simply old claims rewritten to make them clearer. The correspondence of the new claims to the old claims is noted in parentheses after the claim numbers for the Examiner's convenience.

An anticipation rejection requires that the Examiner show where each and every claim element is located in the prior art reference. The Examiner has not made that showing. Applicants respectfully contend. Specifically, MPEP Section 2131 provides:

"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051 1053 (Fed.Cir. 1987). "The identical invention must be shown in as complete detail as is contained in the ... claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed.Cir. 1989). The elements must be arranged as required by the claim...

Regarding the Section 103 rejections, MPEP Section 2143 provides in part, "[t]o establish a prima facie case of obviousness ... the prior art reference ... must teach or suggest all the claim limitations." (emphasis added). The recent decision of the U.S. Court of Appeals for the Federal Circuit in *In Re Lee*, 61 USPQ2d 1430, is particularly pertinent to this issue. At page 1433 the court addresses the purpose of the Administrative Procedure Act which requires administrative agencies, including the Patent Office, to not only have reached a sound decision, but to have articulated the reasons for that decision. This applies to patent prosecution in the Patent Office and before the board and subsequent review. In addressing the issue of obviousness the court noted that rejections under 35 USC 103 must be based on evidence comprehended by language of that section. The court cites a series of cases requiring the showing of a suggestion, teaching or motivation to combine prior art references as an essential component to an obviousness holding. The Patent Office Board of Appeals in the *Lee* case had rejected the need for any specific hint or suggestion in a particular reference to support the combination of prior art teachings. The Board had relied upon basic knowledge or common

sense. In essence, the Federal Circuit required that there must be evidence of the showing of a suggestion, teaching or motivation to combine the state of the art.

The cited references alone or in combination fail to teach or suggest all of the claim limitations. For many of the claim elements the Examiner has simply stated that the reference relates to a label construction which comprises the elements without pointing out specifically where the reference shows (such as by reference numeral) each of the elements. The Examiner has thereby clearly not made out a *prima facie* case. See *In re Epstein*, 31 USPQ2d 1817, 1825 (Fed.Cir. 1994) and *In re Oetiker*, 24 USPQ2d 1443, 1447 (Fed.Cir. 1992).

Brief descriptions of patentable features of the new independent claims are discussed below.

Claim 226, the labels and the liner strip.

Claim 238, the labels, the liner sheet portions and the liner sheet bar (see, e.g., 374).

Claim 239, the ties which connect the labels together when on the liner sheet and allow the labels to be separated to position them in the separated position.

Claim 241, the first and second liner strips and the aligned first and second labels.

Claim 243, the liner strip protruding portions (see, e.g., 354) to which respective facestock labels are adhered.

Claim 244, the longitudinally-aligned facestock labels and the liner strip.

Claim 246, the liner strip, the labels and the adhesive as defined therein.

Claim 248, the aligned first facestock labels, and the aligned second facestock labels disposed parallel to, and spaced from, the first facestock labels.

Claim 249, the breakable ties.

Claim 251, the labels, the first and second liner strips and the facestock labels in their exposed positions extending out from an edge of the liner sheet.

Claim 253, the first and second liner strips, the die cut line and the adhesive.

Claim 254, the breakable facestock thin connector strips serially interconnecting the facestock labels.

Claim 255, the facestock handle portion and the liner sheet cut lines.

Claim 256, the handle portion, the liner sheet portion and the liner sheet patch.

Claim 261, the liner sheet weakened lines and the facestock sheet weakened lines.

Claim 262, the first facestock strip adhered to the first liner strip and the second facestock strip adhered to the second liner strip.

SERIAL NO.: -09/575,396

PATENT

Old Docket No.: 310048-499

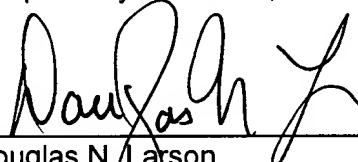
New Docket No. 11286-1105

Avery Ref.: 2828-US

It is thus respectfully submitted that the subject application is in condition for allowance. If there are any remaining issues, the Examiner is encouraged to telephone counsel at (213) 689-5142 to seek to resolve them.

The Commissioner is hereby authorized to charge any additional fees which may be required, or credit any overpayment to Deposit Account No. 07-1853. Should such additional fees be associated with an extension of time, Applicants respectfully request that this paper be considered a petition therefor.

Respectfully submitted,



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Dated: July 15, 2003

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